

REVISED DRAFT

15 February 1955

MEMORANDUM FOR: Executive Secretary, EDIC
FROM : Executive Secretary, EDIC
SUBJECT : Summary of Current EDIC Activities - MDAC Newsletter
No. 35

Current activities of the Economic Defense Intelligence Committee (EDIC) include: (1) Consideration of the Downgrading of CG/COCOM/CHINCOM documents from Secret to Confidential, a problem referred to EDIC by POLTO 861 of 11 November, ^{EDIC} A survey is now being conducted, ~~(CG/COCOM/CHINCOM)~~ ^{under the direction of CG/Operations Department to} determine which of the more than 2,900 documents can be downgraded. ~~(CIA)~~ ^{has taken the position that if such documents incorporate any intelligence they must retain a Secret classification;} (2) Discussion of the old ING study, "External Financial Operations of the Soviet Bloc" (ING/P-16) - EDIC is awaiting from the Executive Committee a statement of priorities for work on this subject in the light of other research needs. Upon receipt of this statement EDIC will discuss the allocation of the functions and projects in this field to existing units within the intelligence community; (3) EDIC recently reviewed the status of action agency requirements for current intelligence from the military intelligence agencies, concluding that adequate procedures exist for transmittal of enforcement intelligence through the DON mechanism and there is satisfactory distribution of other than enforcement-type intelligence; (4) EDIC has considered the recent [REDACTED] proposal for an exchange of information with the U.S. on China trade, and has ^{indicated the desirability} ~~expressed a desire to~~ ^{as a basis for consideration of the matter} ~~certain questions (answered in regard to the substance of the~~ ^{and of type of such an exchange of information.} ~~report prior to final consideration of the willingness of US~~

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~~intelligence to participate in such an exchange;~~ (5) Surveillance of
Recontrolled Commodities - *EDIC also has pending the* ~~(the JOC is expected to prepare a short~~
definition of the ~~list of recontrolled commodities which will be used by EDIC in~~
~~determining)~~ the most feasible method of tracing movements of ~~(such~~
recontrolled commodities ~~items)~~ to the Soviet Bloc; (6) Studies have been completed on the
strategic significance of indium to the Soviet Bloc, and Soviet
production of "jeeps". In the field of Soviet trade tactics, EDIC
has reviewed OIR/State papers on "Soviet Bloc Trade Trends and Tactics
in Petroleum", and "West European Exports of Copper Wire and Cable to
the Soviet Bloc".

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